

THE REPUBLIC OF THE UNION OF MYANMAR  
THE MYANMAR INVESTMENT COMMISSION  
PERMIT



Permit No. 634 /2013

Date 7 November 2013

The Myanmar Investment Commission issues this Permit under section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

- (a) Name of Investor/Promoter U AUNG GYI
- (b) Citizenship MYANMAR
- (c) Address 19, THURANE YEIKMON ESTATE, NYAUNGSI  
YAEKAN STREET, BLOCK 2, HLAING TOWNSHIP, YANGON
- (d) Name and Address of principal organization GLOBAL STAR COMPANY  
LIMITED, NO.2, BAYINT NAUNG MAIN ROAD, YWAMA CURVE, BLOCK(2),  
HLAING TOWNSHIP, YANGON
- (e) Place of incorporation MYANMAR
- (f) Type of business in which investment is to be made MANUFACTURING  
AND MARKETING OF VENEER AND PLYWOOD
- (g) Place(s) at which investment is permitted PLOT NO.(42/161,42/162,  
42/163 & 42/164), SET HMU ZONE, 1<sup>ST</sup> STREET, SHWE PYI THAR  
INDUSTRIAL ZONE, SHWE PYI THAR TOWNSHIP, YANGON REGION
- (h) Amount of foreign capital US\$ 7.283 MILLION
- (i) Period for bringing in foreign capital WITHIN (4) YEARS FROM THE  
DATE OF ISSUANCE OF MIC PERMIT
- (j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF  
US\$ 14.566 MILLION (INCLUDING US\$ 7.283 MILLION)
- (k) Construction period 2 (TWO) YEARS
- (l) Permitted duration of investment 15 YEARS
- (m) Form of investment JOINT VENTURE
- (n) Name of the economic organization to be formed in Myanmar GLOBAL WOODCRAFT INDUSTRIES LIMITED

*Win Shem*

Chairman

The Myanmar Investment Commission

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ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်

မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

ခွင့်ပြုမိန့်



ခွင့်ပြုမိန့်အမှတ် ၆၃၄/၂၀၁၃

၂၀၁၃ ခုနှစ်၊ နိုဝင်ဘာလ ၇ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ (၁၃)ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် U AUNG GYI

(ခ) နိုင်ငံသား MYANMAR

(ဂ) နေရပ်လိပ်စာ 19, THURANE YEIKMON ESTATE, NYAUNGSI  
YAEKAN STREET, BLOCK 2, HLAING TOWNSHIP, YANGON

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ GLOBAL STAR COMPANY LIMITED  
NO. 2, BAYINT NAUNG MAIN ROAD, YWAMA CURVE, BLOCK (2),  
HLAING TOWNSHIP, YANGON REGION

(င) ဖွဲ့စည်းရာအရပ် မြန်မာနိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား သစ်အခြေခံသစ်ပါးလွှာနှင့်အထပ်သား  
ထုတ်လုပ် ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေတိုင်းရပ်ကွက်အမှတ်၄၂၊ မြေကွက်  
အမှတ် ၁၆၁၊ ၁၆၂၊ ၁၆၃ နှင့် ၁၆၄ ၊ စက်မှုဇုန်(၁)လမ်း၊ ရွှေပြည်သာ စက်မှုဇုန်၊  
ရွှေပြည်သာမြို့နယ် ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၇.၂၈၃သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး  
(၄)နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ၁၄.၅၆၆သန်းနှင့်  
ညီမျှသောမြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၇.၂၈၃သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၂ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၁၅နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

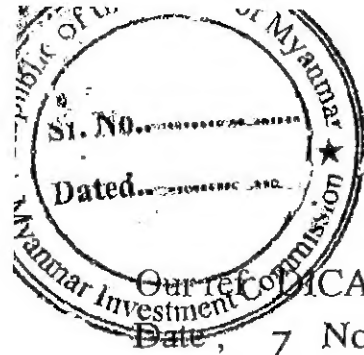
(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည်

GLOBAL WOODCRAFT INDUSTRIES LIMITED

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

၃၀ ၄/

THE REPUBLIC OF THE UNION OF MYANMAR  
 MYANMAR INVESTMENT COMMISSION  
 Building No.(32), Nay Pyi Taw



ICA-6(A)/FI-802/ 2013(28725)

Tel: 067- 406334, 406075

Fax: 95-67-406333

7 November 2013

**Subject: Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Veneer and Plywood" under the name of "Global Woodcraft Industries Limited"**

Reference: Global Woodcraft Industries Limited Letter dated (15.3.2013)

1. The Myanmar Investment Commission, at its meeting (26/2013) held on (2-10-2013) had approved the proposal for investment in "Manufacturing and Marketing of Veneer and Plywood" submitted by Global Woodcraft Industries Limited as a joint venture between Wood Craft International Pte. Ltd. (50%) from Singapore and Global Star Company Limited (50%) from the Republic of the Union of Myanmar.
2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Article 49 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.
3. The permitted duration of the project shall be 15 (fifteen) years commencing from the date of signing of the Lease Agreement for land and buildings by mutual agreement between U Win Aung, Daw Moe Mya Mya and Global Woodcraft Industries Limited. At the end of the lease period, Global Woodcraft Industries Limited shall transfer the leased land and immovable properties on it to the "Lessor" within 3(three) months in good condition, ground damages having been refilled and repaired.
4. The annual rent for the land and buildings shall be US\$ 133,640 (United States Dollar one hundred and thirty-three thousand, six hundred and forty only) calculated at the rate of US\$ 5.00 per square meter per year of the land and buildings measuring (26,728) sqm (6.606acres). The

rate of rent shall be revised in the view of prevailing land lease rates after 5 (Five) years and the increase shall not be 10% of the previous rate.

5. In issuing this "Permit," the Commission has granted, the followings, exemption and reliefs as per section 27(a)(h)(i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Global Woodcraft Industries Limited shall have to sign the Land and Buildings Lease Agreement with U Win Aung and Daw Moe Mya Mya. Wood Craft International Pte. Ltd. shall have to sign the Joint Venture Agreement with Global Star Company Limited. After signing such Agreements, (5) copies shall have to be forwarded to the Commission.

7. Global Woodcraft Industries Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5)copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Global Woodcraft Industries Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been

commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Global Woodcraft Industries Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules extension of construction period shall not be granted more than one except it is due to unavoidable events such as natural disasters, instability, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the Global Woodcraft Industries Limited cannot construct completely in time during the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Global Woodcraft Industries Limited shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and the Global Woodcraft Industries Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

- (a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

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- (b) the detailed lists of the type and value of foreign capital defined under section 2 (i) of the said Law, other than foreign currency.

16. Whenever Global Woodcraft Industries Limited brings in foreign capital defined under section 2 (i) of the said Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Global Woodcraft Industries Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Global Woodcraft Industries Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Global Woodcraft Industries Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instruction made by Ministry of Environmental Conservation and Forestry in which to conduct Initial Environmental Examination (IEE) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and also the company shall have to perform in accordance with the forest plantation plan.

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20. After getting permit from Myanmar Investment Commission, Global Woodcraft Industries Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in kyat currency and US\$ or from export earning of Global Woodcraft Industries Limited(if any).

21. Global Woodcraft Industries Limited in consultation with Myanmar Insurance, shall effect such types of insurance defined under Chapter XII, Rules 79 and 80 of the Foreign Investment Rules.

*Win Shein*

(Win Shein)

Chairman  
27/10/81

#### Global Woodcraft Industries Limited

- cc: 1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Yangon Region Government
  3. Ministry of National Planning and Economic Development
  4. Ministry of Finance
  5. Ministry of Commerce
  6. Ministry of Construction
  7. Ministry of Foreign Affairs
  8. Ministry of Home Affairs
  9. Ministry of Immigration and Population
  10. Ministry of Labour, Employment and Social Security
  11. Ministry of Electric Power
  12. Ministry of Environmental Conservation and Forestry
  13. Director General, Directorate of Investment and Company Administration
  14. Director General, Customs Department
  15. Director General, Internal Revenue Department

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16. Director General, Directorate of Industrial Supervision and Inspection
17. Managing Director, Myanmar Foreign Trade Bank
18. Managing Director, Myanmar Investment and Commercial Bank
19. Managing Director, Myanmar Insurance
20. Managing Director, Myanmar Electric Power Enterprise
21. Director General, Directorate of Trade
22. Director General, Immigration and National Registration Department
23. Director General, Directorate of Labour
24. Managing Director, Myanmar Timber Enterprise
25. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)

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